

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant

████████████████████

Case Number: ██████████

vs.

Respondents

Prudential Equity Group, LLC
CIBC World Markets Corp.

Hearing Site: Atlanta, Georgia

Nature of the Dispute: Associated Person vs. Members

REPRESENTATION OF PARTIES

For Claimant ██████████: Michelle Atlas, Esq., AdvisorLaw LLC, Broomfield, Colorado.

For Respondent Prudential Equity Group, LLC (Prudential): Alan S. Brodherson, Esq., Law Offices of Alan S. Brodherson, New York, New York.

For Respondent CIBC World Markets Corp. ("CIBC"): Elizabeth Rose Aylett, Esq., CIBC World Markets Corp., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: February 21, 2018.

████████████████████ signed the Submission Agreement: February 21, 2018.

Statement of Answer filed by Respondent Prudential on or about: April 17, 2018.
Prudential Equity Group, LLC did not sign the Submission Agreement.

Statement of Answer filed by Respondent CIBC on or about: April 17, 2018.
CIBC World Markets Corp. signed the Submission Agreement: April 17, 2018.

CASE SUMMARY

Claimant asserted the following cause of action: expungement.

Unless specifically admitted in the Statement of Answer, Respondent Prudential denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in the Statement of Answer, Respondent CIBC denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested expungement of occurrence numbers [REDACTED] and [REDACTED] from his CRD records; compensatory damages in the amount of \$1.00; and any and all other relief that the Arbitrator deems just and equitable.

In the Statement of Answer, Respondent Prudential took no position regarding Claimant's request for expungement of occurrence number [REDACTED]. Prudential requested that the Arbitrator deny Claimant's request for \$1.00 in compensatory damages and assess all forum fees to Claimant.

In the Statement of Answer, Respondent CIBC took no position regarding Claimant's request for expungement of occurrence number [REDACTED]. CIBC requested that the Arbitrator deny Claimant's request for \$1.00 in compensatory damages and assess all forum fees to Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

Respondent Prudential Equity Group, LLC did not file with FINRA Office of Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code of Arbitration Procedure ("Code") and, having answered the claim, and appeared at the hearing, is bound by the determination of the Arbitrator on all issues submitted.

The Arbitrator conducted a recorded telephonic hearing on February 5, 2019 so the parties could present oral argument and evidence on [REDACTED] request for expungement.

Claimant provided the FINRA Office of Dispute Resolution with proof that he served the customer in the underlying complaint for occurrence number [REDACTED] with notice of his expungement request and notice of the customer's right to participate and testify at the expungement hearing. The customer did not participate in the expungement hearing and did not contest the request for expungement.

The customer in the underlying complaint in occurrence number [REDACTED] is deceased.

At the hearing, Claimant withdrew his request for \$1.00 in compensatory damages.

The Arbitrator reviewed the BrokerCheck® Report for [REDACTED]. The Settlement Agreement relating to occurrence number [REDACTED] was not available due to the age of the settlement. The Arbitrator was unable to confirm whether or not the settlement was conditioned on the customer not opposing the expungement request. Although the Settlement Agreement in occurrence number [REDACTED] was not available, the Arbitrator granted expungement based on the circumstances of the matter described below in the award section. The Arbitrator also noted that Claimant [REDACTED] did not contribute to the settlement.

The Arbitrator noted that [REDACTED] did not previously file a claim requesting expungement of occurrence numbers [REDACTED] and [REDACTED].

In recommending expungement, the Arbitrator relied on the following documentary or other evidence: the pleadings and party submissions, BrokerCheck® Report for Claimant [REDACTED] and Claimant's testimony.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for termination as follows:

1. The Arbitrator recommends the expungement of all references to occurrence [REDACTED] from registration records maintained by the Central Registration Depository ("CRD"), for Claimant [REDACTED] (CRD# [REDACTED]), with the understanding that, pursuant to Notice to Members 04-16, Claimant [REDACTED] must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; and the claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 findings based on the following reasons:

The customer's complaint was directed against Respondent Prudential. The complaint neither named nor even mentioned the Claimant. The complaint was specifically directed against the various actions of Prudential. One investment recommended by the Claimant was TW Holdings, Inc. ("TW"), a stock new issue that was recommended by a special situations group at Prudential, and which was suitable for the customer's investor profile and met his objective of tax-free income and growth. After numerous conversations with the Claimant regarding the TW stock, the customer purchased the TW stock, using less than one percent of his portfolio with Prudential. Following the customer's purchase of the TW stock, he and the Claimant spoke frequently. Once the value of the "when issued" security started dropping, the Claimant began to question what was happening with the Prudential group out of New York who had originally presented the idea of the TW stock. It was later determined that an error had occurred with the group out of New York, whereby the value of the TW stock had been initially miscalculated. It is the Claimant's opinion that the error resulted out of poor due diligence on the part of the group out of New York. As a result, the value of the TW stock declined. The Claimant was in

no way involved in said error, as said error occurred prior to the value of the TW stock being relayed to the Claimant.

The allegation in the complaint was not directed against Claimant and did not allege any misconduct on his part – only on the part of Prudential. The complaint focused on the allegation that Prudential made an error in the calculation of the value of the stock. The Claimant was not involved in the miscalculation in any manner. Thus, it was false in regard to the Claimant.

2. The Arbitrator recommends the expungement of all references to occurrence [REDACTED] from registration records maintained by the Central Registration Depository (“CRD”), for Claimant [REDACTED] (CRD# [REDACTED]), with the understanding that, pursuant to Notice to Members 04-16, Claimant [REDACTED] [REDACTED] must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 13805 of the Code, the Arbitrator has made the following Rule 2080 affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous; and the claim, allegation, or information is false.

The Arbitrator has made the above Rule 2080 findings based on the following reasons:

The customer purchased a tax advantage bond in 1994 based upon a local nursing home. It was represented as a high-income paying bond, and it was within his risk tolerance. It performed very well over the first six years, paying a high level of tax-free income until the nursing home underperformed which caused it to default on its payments. In 2000, the customer alleged that the Claimant “misrepresented a security to him when he purchased it in 1994 at Prudential” and that the Claimant “provided him with poor advice while at CIBC regarding that security.” The complaint was denied, and the customer did not pursue his claim in arbitration or court. The allegation of misrepresentation is false, because the Claimant’s representation of the bond was accurate at the time when the investment was made. At the time when it was made, the bond was, in fact, a high-income paying bond. The allegation of misrepresentation is factually impossible, because the bond was represented as a high-income paying bond, and it did, in fact, pay the customer a high level of tax-free income for six years prior to defaulting as a result of the underperformance of the nursing home.

The allegation of poor advice regarding the bond is false because the Claimant had a reasonable basis to believe that the bond was suitable for the customer based on the reasonable diligence of the Claimant, CIBC, and the customer himself. The bond was suitable for the customer's investor profile and met his stated objective of tax-free income. The Claimant had a reasonable basis to believe that the customer was capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies involving a security or securities. The customer affirmatively indicated that he was exercising independent judgement in evaluating the Claimant's recommendations.

3. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code of Arbitration Procedure, the following fees are assessed:

Filing Fees

FINRA Office of Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing Fee	= \$ 50.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as parties, Respondents Prudential Equity Group, LLC and CIBC World Markets Corp. are each assessed the following:

Member Surcharge	= \$ 150.00
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Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with a single arbitrator @ \$50.00/session	= \$ 50.00
Pre-hearing conference: July 10, 2018	1 session

One (1) hearing session on expungement request @ \$50.00/session	= \$ 50.00
Hearing Date: February 5, 2019	1 session

Total Hearing Session Fees	= \$ 100.00
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The Arbitrator has assessed the \$100.00 hearing session fees to Claimant.

All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.

ARBITRATOR

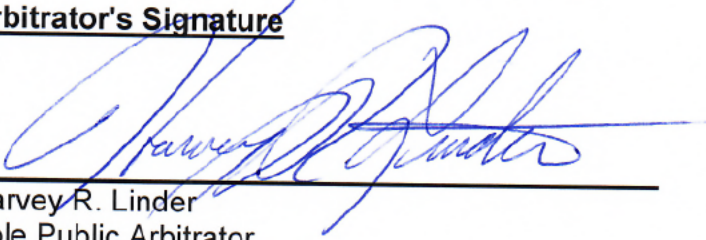
Harvey R. Linder

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Sole Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Arbitrator's Signature



Harvey R. Linder
Sole Public Arbitrator

FEBRUARY 13, 2019

Signature Date

February 14, 2019

Date of Service (For FINRA Office of Dispute Resolution office use only)